## SESSION OF 2009

## SUPPLEMENTAL NOTE ON SUBSTITUTE FOR SENATE BILL NO. 6

As Recommended by Senate Committee on Judiciary

## Brief\*

Sub. for SB 6 would amend the Charitable Organizations and Solicitations Act to require professional or paid solicitors to make specified disclosures prior to verbally asking for a contribution or contemporaneously with a written request for a contribution. A professional solicitor would be required to disclose:

- The name of the person soliciting a contribution and that he or she is a professional or paid solicitor;
- The registered name of the professional fund raiser for which the professional solicitor works and that information about the professional fund raiser is on file for public inspection with the Kansas Secretary of State; and
- If requested by the prospective donor, the amount of the contribution to be retained by the professional fund raiser.

The professional fund raiser would be required to disclose the amount of the contribution to be retained by the professional fund raiser as follows:

- If the compensation paid by the charity to the professional fund raiser is contingent on the number of contributions or amount of revenue received from the solicitation campaign, the professional solicitor would be required to disclose a fixed percentage of gross revenue; or
- If the compensation paid by the charity to the professional fund raiser is not contingent on the number of contributions or amount of revenue received from the

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

solicitation campaign, the professional solicitor would be required to disclosed a reasonable estimate expressed as a percentage of gross revenue.

## **Background**

The proponents of the bill who presented testimony to the Senate Committee included Senator Derek Schmidt, sponsor of the bill; Toni Wellshear, AARP; and Douglas Tank, private citizen.

There was no testimony in opposition to the bill.

Lee Urban, Assistant Attorney General, presented neutral testimony to the Committee.

The Senate Committee on Judiciary amended the bill to strike all of the original provisions in the bill and substitute the language that would require a professional solicitor to disclose:

- The name of the person soliciting a contribution and that he or she is a professional or paid solicitor;
- The registered name of the professional fund raiser for which the professional solicitor works and that information about the professional fund raiser is on file for public inspection with the Kansas Secretary of State; and
- If requested by the prospective donor, the amount of the contribution to be retained by the professional fund raiser.

The Office of the Attorney General states there would have been a fiscal impact with the passage of the bill, as it was introduced. The Office of the Attorney General states that there would be no fiscal impact on the State General Fund with the passage of Sub. for SB 6. However, passage of the substitute bill would require money be spent from consumer protection fee funds.